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## COMMONWEALTH OF KENTUCKY

## BEFORE THE PUBLIC SERVICE COMMISSION

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## In the Matter of:

| THE APPLICATION OF SIMPSON COUNTY WATER        | ) |      |     |      |
|--|---|------|-----|------|
| DISTRICT, SIMPSON COUNTY, KENTUCKY,            | ) |      |     |      |
| (1) FOR A CERTIFICATE OF PUBLIC CONVENIENCE    | ) |      |     | •    |
| AND NECESSITY AUTHORIZING SAID DISTRICT        | ) |      |     |      |
| TO CONSTRUCT MAJOR IMPROVEMENTS AND EXTENSIONS | ) |      |     |      |
| TO ITS EXISTING MUNICIPAL WATER DISTRIBUTION   | ) | CASE | NO. | 8266 |
| SYSTEM PURSUANT TO THE PROVISIONS OF           | ) |      |     |      |
| CHAPTER 74 OF THE KENTUCKY REVISED STATUTES;   | ) |      |     |      |
| (2) SEEKING APPROVAL OF THE ADJUSTMENT         | ) |      |     |      |
| OF WATER SERVICE RATES AND CHARGES; AND        | ) |      |     |      |
| (3) SEEKING APPROVAL OF THE ISSUANCE OF        | ) |      |     |      |
| CERTAIN SECURITIES                             | ) |      |     |      |

## ORDER

IT IS ORDERED that Simpson County Water District shall file an original and five copies of the following information with the Commission, with a copy to the Attorney General's Division of Consumer Protection by October 2, 1981. If neither the requested information nor a motion for extension of time is filed by the stated date, the case will be dismissed.

- Provide copies of the bond resolution and other loan documents for the proposed bond issue.
- 2) The district has used 1,337 customers to determine the per customer cost in many of its pro forma adjustments. Is this the number of customers at year-end or the average number of customers billed during the year?
- 3) In the Addendum number one included in the districts response to information request number one, a response

to item number seven of the information request is included. This response states that the increase to 0 & M cost is the sum of the difference between 1981 actual cost and 1982 estimated cost. Provide details of the assumptions used and supporting calculations of the 1982 estimated cost.

- 4) Provide the total number of gallons of water purchased for the test period. Also provide an analysis of the total disposition of the water including sales, water used by company, and line loss.
- 5) Provide details of the painting of the storage tanks referred to in adjustment number seven. Include the company or individual who did the painting, if by an outside firm, when the painting was done and any copies of invoices involved.
- 6) The response to request item number eleven of the information request dated August 12, 1981, is inadequate. Provide a description of the actual costs incurred during the test year for the accounts requested, including the vender, amount, reference, and a brief description of each expenditure.
- 7) Provide bids, if available for the additional insurance expense on the facilities to be constructed.
- 8) Provide a reconciliation of the difference between the amount of other income reported in request exhibit number two and that reported in table IV-4 of page IV-6 of the engineers report.
- 9) Provide reconciliation of the difference of the estimated total revenue after rate increase between

table IV-16 of page IV-20 of the engineers report and response exhibit number one, comparative income statement.

Done at Frankfort, Kentucky this 21st day of September, 1981.

PUBLIC SERVICE COMMISSION

For the Commission

ATTEST:

Secretary